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Canada

Grain and Feed

Monthly Update

2004

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Report Highlights:
For 2004/2005, Canadian wheat production is forecast to increase to 23.7 MMT due to increase moisture and higher yields. Canadian barley production is forecast to increase marginally to 12.4 MMT, as the higher yields offset the reduced seeded areas. Canadian corn production is forecast to decrease 10% to 8.6 MMT from 2003/2004, as a result of lower seeded areas and lower yields in Ontario.

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
Ottawa [CA1]
[CA]

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MONTHLY GRAIN AND FEED UPDATE

Total Wheat

Canadian total wheat production for 2004/2005 is forecast to increase to 23.7 million metric tonnes (MMT), up slightly from 2003/2004 production levels, due to increased moisture levels and higher yields. Ontario production levels are expected to fall from the record level of 2.3 MMT to 1.5 MMT, which is still above the average of 1.2 MMT. Improved soil moisture levels in Western Canada, is an important contributor to the increase in wheat production. The wet, cool spring has slowed development and if it continues could lead to quality issues. A hot July and August would help development and quality. Because of the cool, wet weather there has been some switch from soybeans to cereal crops. Canadian wheat imports will most likely decline slightly from the previous year as production levels offset the need for wheat from other countries, including the United States. Wheat in Ontario and some parts of Western Canada have suffered from excess moisture and have begun yellowing. Ending stocks are forecast to increase as durum stocks help to offset the decrease in non-durum wheat stocks.

Durum Wheat

Canadian durum wheat production for 2004/2005 is forecast to increase to 4.8 MMT, up 11% from 2003/2004. The wet spring has helped replenish soil moisture levels in many durum-growing areas in Western Canada, thereby helping to increase the forecast production number of durum. Exports of durum are predicted to remain slightly lower that the 5-year average of 3.7 MMT at roughly 3.5 MMT. This is a result of a weak world demand for durum wheat, largely resulting from good crops in the EU and North Africa. The increased production, coupled with below average exports and modest increases in consumption, will result in a forecast increase of 15% to durum wheat ending stocks from 2003/2004 to 2 MMT.

Barley

Canadian barley production for 2004/2005 is forecast to increase marginally from 2003/2004 to 12.4 MMT, due to higher yields, despite the decline in seeded areas. The ongoing BSE crisis, the drop in corn production, and increased competition from the EU and the Black Sea region, forecast a decline in feed barley exports. Exports for malting barley are forecast to increase, resulting in total barley exports to decline slightly from 2003/2004 to 2.3 MMT. Exports of barley remain significantly higher than in 2002/2003. Barley imports are forecast to decline slightly from 2003/2004 due to the increased domestic supply. The domestic supply will increase by roughly 6% due mainly to higher carry-in stocks. The increased supply will most likely be used for feed in western Canada, reducing the reliance on corn for feed. As the BSE crisis continues, many producers cannot afford to buy feed and will rely on what they have grown, increasing the reliance on barley. Barley ending stocks are forecast to rise slightly.

Corn

Canadian corn production for 2004/2005 is forecast to decrease 10% from 2003/2004 to 8.6 MMT as result of lower area seeded and yields on Ontario. The reduction in the seeded acreage is as a result of a combination of factors. The first factor is a shift in production from corn to soybeans and the second is as a result of the wet, cool spring experienced by some areas in Ontario. The cool, wet weather has also decreased the corn seeding areas in Manitoba. Quebec has increased its seeded areas, offsetting the some of the decline in Ontario. There are concerns that if the cool, wet weather continues in Manitoba, the corn crop will be of poorer quality and will be used mostly for feed. But if any prolonged heat arrives in July and August, with the moisture levels present, the corn crop is forecast to be good. As a result of the decreased corn production in Ontario, corn imports are forecast to increase slightly from 2003/2004, with the increase of imports occurring in eastern Canada. The increase in corn imports into eastern Canada will offset the decrease in imports into western Canada, as an increase in barley production replaces corn for feed in western Canada. Corn exports are forecast to be down from 2003/2004 to 200,000 MMT as a result of decreased production levels. Domestic feed usage is forecast to decline 11% to 8.4 MMT, with total domestic consumption declining 8% to 10.9 MMT. Corn ending stocks are forecast to be similar to 2003/2004 levels.

Oats

Canadian oat production is forecast to decline from 2003/2004 as the seeded areas has declined across Canada. As the growing season continues, this trend may reverse itself due to late season seeding in areas which were too wet to be planted to other crops. Oat imports are forecast to decline slightly as compared to 2003/2004, as a result of an increase in oat supply. The supply increase is a result of higher beginning stocks, which will help to contribute to the slight increase in exports for oats that are forecast in comparison to 2003/2004. Ending stocks are once forecast to increase.

STATISTICAL TABLES

Table 1: Wheat PSD

PSD Table

Country	**Canada**						
Commodity	**Wheat**				(1000 HA)(1000 MT)		
	2002	Revised	2003	Estimate	2004	Forecast	UOM
	USDA Official [	Estimate [	DA Official [	Estimate [	DA Official [	Estimate [New]	
Market Year Begin		08/2002		08/2003		08/2004	MM/YYYY
Area Harvested	8836	8836	10470	10470	10200	10200	(1000 HA)
Beginning Stocks	6729	6729	5725	5650	6150	5780	(1000 MT)
Production	16198	16198	23500	23500	23500	23700	(1000 MT)
TOTAL Mkt. Yr. Imports	382	178	200	30	200	20	(1000 MT)
Jul-Jun Imports	382	179	200	30	200	20	(1000 MT)
Jul-Jun Import U.S.	129	21	0	15	0	10	(1000 MT)
TOTAL SUPPLY	23309	23105	29425	29180	29850	29500	(1000 MT)
TOTAL Mkt. Yr. Exports	9403	9030	15500	16100	15500	15700	(1000 MT)
Jul-Jun Exports	9393	9013	15500	16100	15500	15700	(1000 MT)
Feed Dom. Consumption	4058	4188	3600	3300	3800	3300	(1000 MT)
TOTAL Dom. Consumpti	8181	8425	7775	7300	8000	7300	(1000 MT)
Ending Stocks	5725	5650	6150	5780	6350	6500	(1000 MT)
TOTAL DISTRIBUTION	23309	23105	29425	29180	29850	29500	(1000 MT)

Table 2: Durum Wheat PSD

PSD Table

Country Canada
Commodity Wheat, Durum

(1000 HA)(1000 MT)

	2002	Revised	2003	Estimate	2004	Forecast	UOM
	USDA Official [	Estimate [	DA Official [	Estimate [	DA Official [	Estimate [New]	
Market Year Begin		01/2002		01/2003		01/2004	MM/YYYY
Area Harvested	0	2246	0	2450	0	2500	(1000 HA)
Beginning Stocks	0	1545	0	1660	0	1700	(1000 MT)
Production	0	3877	0	4280	0	4800	(1000 MT)
TOTAL Mkt. Yr. Imports	0	6	0	2	0	1	(1000 MT)
Jul-Jun Imports	0	6	0	2	0	1	(1000 MT)
Jul-Jun Import U.S.	0	6	0	2	0	1	(1000 MT)
TOTAL SUPPLY	0	5428	0	5942	0	6501	(1000 MT)
TOTAL Mkt. Yr. Exports	0	2955	0	3500	0	3500	(1000 MT)
Jul-Jun Exports	0	2939	0	3500	0	3500	(1000 MT)
Feed Dom. Consumption	0	284	0	250	0	500	(1000 MT)
TOTAL Dom. Consumpti	0	813	0	742	0	1000	(1000 MT)
Ending Stocks	0	1660	0	1700	0	2001	(1000 MT)
TOTAL DISTRIBUTION	0	5428	0	5942	0	6501	(1000 MT)

Table 3: Barley PSD

PSD Table

Country	Canada						
Commodity	Barley				(1000 HA)(1000 MT)		
	2002	Revised	2003	Estimate	2004	Forecast	UOM
	USDA Official [	Estimate [	)A Official [	Estimate [	)A Official [	Estimate [	New]
Market Year Begin		08/2002		08/2003		08/2004	MM/YYYY
Area Harvested	3348	3348	4450	4500	4300	4400	(1000 HA)
Beginning Stocks	2047	2048	1475	1441	2425	2300	(1000 MT)
Production	7489	7489	12300	12300	12500	12400	(1000 MT)
TOTAL Mkt. Yr. Imports	247	259	50	50	20	40	(1000 MT)
Oct-Sep Imports	199	215	50	50	20	40	(1000 MT)
Oct-Sep Import U.S.	148	151	0	40	0	35	(1000 MT)
TOTAL SUPPLY	9783	9796	13825	13791	14945	14740	(1000 MT)
TOTAL Mkt. Yr. Exports	403	404	1800	2300	1800	2300	(1000 MT)
Oct-Sep Exports	304	304	2000	2400	1800	2300	(1000 MT)
Feed Dom. Consumption	6505	6796	8200	9000	8800	9400	(1000 MT)
TOTAL Dom. Consumpti	7905	7951	9600	9191	10300	10000	(1000 MT)
Ending Stocks	1475	1441	2425	2300	2845	2440	(1000 MT)
TOTAL DISTRIBUTION	9783	9796	13825	13791	14945	14740	(1000 MT)

Table 4: Corn PSD

PSD Table

Country Canada
Commodity Corn

				(1000 HA)(1000 MT)			
	2002	Revised	2003	Estimate	2004	Forecast	UOM
	USDA Official [	Estimate [	DA Official [	Estimate [	DA Official [	Estimate [New]	
Market Year Begin		09/2002		09/2003		09/2004	MM/YYYY
Area Harvested	1283	1283	1230	1230	1300	1300	(1000 HA)
Beginning Stocks	1056	1056	1111	1111	911	911	(1000 MT)
Production	8999	8999	9600	9600	9500	8600	(1000 MT)
TOTAL Mkt. Yr. Imports	3946	3902	2000	2400	2200	2500	(1000 MT)
Oct-Sep Imports	3836	3797	2000	2300	2200	2400	(1000 MT)
Oct-Sep Import U.S.	3835	3797	0	2300	0	2400	(1000 MT)
TOTAL SUPPLY	14001	13957	12711	13111	12611	12011	(1000 MT)
TOTAL Mkt. Yr. Exports	314	313	300	300	300	200	(1000 MT)
Oct-Sep Exports	306	305	300	300	300	200	(1000 MT)
Feed Dom. Consumption	10276	10121	9000	9400	8700	8400	(1000 MT)
TOTAL Dom. Consumpti	12576	12533	11500	11900	11400	10900	(1000 MT)
Ending Stocks	1111	1111	911	911	911	911	(1000 MT)
TOTAL DISTRIBUTION	14001	13957	12711	13111	12611	12011	(1000 MT)

Table 5: Oat PSD

PSD Table

Country Canada
Commodity Oats

					(1000 HA)(1000 MT)		
	2002	Revised	2003	Estimate	2004	Forecast	UOM
	USDA Official [	Estimate [	DA Official [	Estimate [	DA Official [	Estimate [New]	
Market Year Begin		08/2002		08/2003		08/2004	MM/YYYY
Area Harvested	1379	1379	1570	1580	1500	1500	(1000 HA)
Beginning Stocks	363	363	524	559	784	800	(1000 MT)
Production	2911	2911	3700	3700	3600	3675	(1000 MT)
TOTAL Mkt. Yr. Imports	48	21	10	25	20	20	(1000 MT)
Oct-Sep Imports	49	21	10	25	20	20	(1000 MT)
Oct-Sep Import U.S.	15	17	20	20	20	20	(1000 MT)
TOTAL SUPPLY	3322	3295	4234	4284	4404	4495	(1000 MT)
TOTAL Mkt. Yr. Exports	928	887	1100	1350	1200	1495	(1000 MT)
Oct-Sep Exports	1058	1017	1200	1350	1200	1495	(1000 MT)
Feed Dom. Consumption	1270	1228	1700	1800	1700	1800	(1000 MT)
TOTAL Dom. Consumpti	1870	1849	2350	2134	2400	2100	(1000 MT)
Ending Stocks	524	559	784	800	804	900	(1000 MT)
TOTAL DISTRIBUTION	3322	3295	4234	4284	4404	4495	(1000 MT)

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